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**Tulip Bubble**

Walking into the shop, my senses are overloaded with the sweet, nostalgic, scents of tulips, carnations, and roses of every size and color. The sight and smell of such simple, yet elegant beauty momentarily brings me back to an earlier time, a period of innocence and what can only be described as a worry-free lifestyle. I am abruptly brought back to reality, when the owner of the flower shop enthusiastically greets me.

“Peter Rathje! I thought I’d never see your ugly face again!” he exclaimed in a joking manner.

“How’s business Kees, you arrogant bastard?” I inquired, while giving him a pat on the back.

“Business is blooming, as usual. Luckily, we small Dutch shopkeepers do not have the same oppressive taxes plaguing us as they do in England or France” he responded with a hearty chuckle.

“You know what’s ironic? I was just reading in the local newspaper about the exorbitant prices that are being charged for certain specialty tulips, and here I am at an establishment where they also charge obscene prices for flowers!”

“Ha ha. Very funny, but Peter, take this from someone who makes a living out of peddling flowers, don’t even think about getting involved in that business: it’s shady, sinful, and will suck every last stuiver out of you. That’s why I only deal in the gemeene goed“

“Oh I thought that was because you were simply poor” I shot back, attempting to save our friendly banter, not liking where the conversation was heading.

“Peter I’m dead serious don’t get involved in all that rummel. You are a fine merchant, making more than I do, and you still have your mother to support. How is she by the way?

A long silence.

“To be honest, she is not doing much better. She is still too sick to move, so she stays in bed all day, consistently coughing up blood, yet unable to shake off her fever. Local doctors don’t know what’s wrong with her; they’re all telling me the same thing, which is that I need to find a specialist. And while I would love nothing more than to save my own mother’s life, I simply do not have the financial means to pay for the treatment. I am ashamed. I feel as if I am turning my back on the woman who raised me all by herself” I confessed, almost breaking down into to tears, and immediately regretting confiding all of this to my friend Kees.

“Peter you’re being too hard on yourself! You’ve been through a lot, and I know if your father were here, he would be proud of the young man you’ve become. I’m not going to try to offer you money again, because we both how that will end, but please take these carnations, roses and tulips to your mother, it’s the least I can do”.

“Thank you so much Kees, my mother and I greatly appreciate what you’ve done for us over the years. Now if you’ll excuse me I’m grabbing a bite to eat with my friend” I said, quickly rushing out of the room, not wanting Kees to see me in my present emotional state.

Stepping into the large, smoke-filled room, I enter a loud, tumultuous arena filled with people from all walks of life—day-to-day laborers, characterized by their rough woolen clothing, upper-class bourgeoisie merchants, dressed in stylish, but conservative clothing, artisans, dressed similarly to the hard laborers, and of course, the icing on the cake, a few nobility, gracing us commoners with their presence. What brings this diverse population together is a combination of beer, good stories, and easy women. It is a scene so merry, cheerful, and symbolic of everyday life here in Amsterdam during the Golden Age, it deserves to be painted by Jan Steen. As I enter the room, I feel as if I am almost disrupting a perfect equilibrium with my presence, intruding on a flawlessly symbiotic environment. This thought is discarded when I’m immediately welcomed into the bar when a “friend” (who still owes me 2 and a half guilders from that time we visited the brothel in Antwerp) notices me and yells out in a half-drunken stupor, “PEEETERR IS DATT YOUU?”

Amongst all this chaos, I hear a voice calling out my name, “Over here! Come quickly Peter!” I recognize the voice as none other but Jan, the friend that invited me here to this pub. I proceed to hurriedly follow the trail of Jan’s voice through the crowd, bumping into several intoxicated individuals along the way, just narrowly escaping a blow to the head. Jan’s voice leads me through a set of stairs and a dark corridor until I reach my final destination, which I have assumed by now; due to its concealed nature, is some sort of backroom for illegal dealings. No wonder this pub is still in business despite its shitty beer.

My suspicions are confirmed. I observe a dimly lit room, an old wooden table, four plain chairs, and my acquaintance Jan that yelled out my name back in the lively environment of the pub, a place where I would much rather be at right now. He is dressed in his black, wide-brimmed hat, heavy wool jacket, and tight trousers: generic clothing for a prosperous regent like himself. Leaning against the wall in the shadows to his left is an unfamiliar face, also donning a wool jacket and tight trousers; however his jacket does not seem to be made from the same quality wool Jan’s is made from, it is something that a working-class merchant like myself would wear. Finally a third character, who wore a more casual smock and trousers, was sitting at the table, fiddling with his rough hands, evidence of his socioeconomic status. He must be the owner of the pub and the mediator for this illegal deal.

“Jan what is the meaning of this? I thought we were just grabbing a few beers and a meat stew after work?” I asked straight off the bat.

“I have to take care of some business; we’ll grab some food afterwards. Peter you’re about to witness history. This little piece of paper…”

He pulls out an ordinary piece of paper with some writing and a signature out of his pocket.

“Is about to make everyone in this room, except for yourself, a very wealthy man”

“Jan I didn’t know you were a tulip connoisseur” I naively let out.

This produced a few chuckles out of the other two men; my naivety effectively lightened the mood in the room. At that point, the mediator attempted to move things along by announcing, “Today is January 10th, 1637 . This transaction is regarding the sale of a promissory note worth 5 Gouda bulbs. Gouda tulips also known as Generael de Generaelen van Gouda in their full mature state are large white flowers with scarlet stripes. According to folk tales, they were one of the first tulips that arrived in Antwerp on a ship carrying cloth from Istanbul in 1562. This note is representative of Gouda bulbs that are still in the ground; therefore its current value is based almost entirely on future speculation. We can only hope and pray that its value will have significantly increased in a year when the bulbs are lifted and sold at the market.”

“Amen” everyone in the room responds except me.

The pub owner continued, “As a pub that has ignored bills criminalizing the trade of tulip futures in 1621, 1623, 1624, 1630, and 1631, we have no right to regulate trades, but I must add for my own moral conscience that this is a very risky deal. Regardless of how this deal turns out there will be no refunds. Tipping the mediator is recommended. Is that clear?”

Both entrepreneurs give a slight nod. What happens from that moment on is quite the curiosity. Jan and the other merchant pass a wooden slate (as I later found out was known as a met de borden) back and forth between the mediator and each other, both of them violently scratching numbers onto the board when it is in their possession. The three businessmen are so consumed in their craft; it is almost as if my presence had simply dispersed from the room. After an hour of grunts of annoyance and piercing glances of aggression on both sides, a seemingly synchronized collective sigh is let out from the three individuals involved in the illegal dealing. The tavern manager declares to the relief of everyone (including myself at this point) “This deal is done” and both parties tip him exactly two guilders.

As the other two people leave the room, my annoyance at Jan for leaving me in the dark reaches a maximum, and I finally muster up the courage to ask,

“What the hell just happened? At the very least you owe me an explanation”

“Laissez Fair Capitalism at its best, or its worst, depending on your preference” he responded coyly.

“You mean illegal backroom tulip dealings? The pub owner himself acknowledged the Dutch government outlawed the trading of speculative notes on multiple occasions”

“Honestly, who the hell cares if trading tulips is illegal? It’s lucrative and that’s all that I’m concerned with. I know it’s hard for a small merchant like you to see the big picture, but who is the government to judge what is morally permissible? Economic regulations are implanted by individuals in positions of power that want to exert their influence. One day I’ll be in a position where I’m one of those individuals, but until then I’ll have to be content with bribing them”

“But unfettered capitalism leads to greed, exploitation of the working class, and eventually economic instability, it IS morally wrong” I pleaded.

“Greed is part of human nature. No law, no economic regulation will ever de-incentivize large-scale transactions; take for example the transactions I just participated in. I made 500 guilders, 500 guilders for Pete’s sake! That’s more than you make in a year! I sold 5 promissory notes, each representative of a Gouda tulip worth 100 guilders that has not yet been planted. The buyer made a down payment of 10% or 50 guilders; he will pay the rest when the tulips are lifted. With the rate the market is going, in a year, when they are lifted they are expected to be worth 1000 guilders, so that means he gets to keep 500 guilders for himself, and pays me the other 450 plus a little interest. The point is this trade is conducted under the assumption that the value of tulips will double in a year. He put down his house and his shipping business as collateral so even if the price of the tulip falls, I will collect the difference through his holdings. Aren’t the complex underlying mechanisms of Capitalism simply beautiful Peter?”

I chose not to respond

“Well Peter, you are a good friend, and I would hate to see you become bankrupt as a result of your false moral pretentiousness. If you ever want to make some real money, you know where to find me”

Leaving the bar and walking into a torrent of raindrops, I am consumed by a frenzy of mixed emotions. My father was an honest man. As a working class baker he wasn’t always able to “bring home the bread”, but he did his best and earned every stuiver that he made. During the process of doing so, he became my hero, instilling ideals about hard-work, integrity, and honesty. After that encounter with Jan I’m not sure if those beliefs alone are enough to secure economic security for my family. Jan lives life on the edge, while he may risk a lot, his rewards are almost immeasurable. He is the epitome of financial and social success. Perhaps just like my father, I am just one of the little people, unable to see the “bigger picture” as Jan puts it. Regardless, my mother is on the verge of dying, and I want, no I NEED to make more than I am now. On the long walk home, I continue to ponder the question, “What would my father do in this situation?”

Returning home to our dusty, old, two room flat in the poor Jordaan district of Amsterdam, my question is answered.

“Mother please eat some of this stew, don’t you want to get better?” I implored.

“I’m not in the mood. By the way, send your regards to Kees, these carnations are the best. The fragrance is almost nostalgic”

“Just take one bite. Please do it for me, you won’t get better if you don’t” I pressed on.

She gives a weak smile.

“I enjoy the fact that our roles have essentially switched over the years. Now it is you that is babying me. It seems like just yesterday you were yelling at me for being too controlling, and not letting you playing outside---“

My eyes swell up with tears at the thought of happier times. She starts uncontrollably coughing, her blood staining the blanket. As I reach for a dirty rag to wipe it up, she clasps my arm with a weak grip, signaling that she wants to finish her sentence.

“with your friends” she continued.

“Mother no matter what I do, there is no way I can even come close to repaying you for everything that you’ve done for me since Father passed away. You single-handedly raised me, and did everything you could to make sure there was food on the table. There were days when we thought we would never see the payments from the publishing company clear, but in the end we persevered. I promise things will get better”

Somewhere during my words, my mother fell into a deep, serene sleep, so I pulled a blanket over her body, and kissed her on the cheek.

It was at that moment I knew that I needed to seek out the treatment of a medical specialist, regardless of how expensive the fees would be, regardless of the odds of curing my mother’s condition. I came to the realization then and there that as her only descendant it is my duty to exhaust all options until she recovers to her healthy state. My dad was an honest man, but he would not have just sat around while Mother was dying, he would have gone out and done something about it.

The marketplace is live and festive like a New Year’s celebration at the town square. The old hag is selling her mixed vegetables and fruits, and offering the daily soup, the meat so ambiguous that many speculated it was wild dog. Nonetheless the steamy aroma of the soup attracts me to her stall. On the way I pass by the local farmers selling their fresh crops, merchants with oriental goods from the East Indies, and gypsies selling their miscellaneous wares. Upon reaching her stall, and acquiring a bowl of the dog-meat soup, I asked the old hag, “Have you seen my friend Jan?” Almost instinctively, she pointed her long curved index finger towards a crowd of merchants all gathering in the center of the marketplace. From a distance I could catch a glimpse of Jan’s wide brimmed hat, in the center of the commotion, telling a story in his loud strong voice,

“So I purchased this near bankrupt shipping company right? I purchase it for almost stuivers to the guilder, and then I proceed to lay off more than half the workers, fervently slash the wages, and make arrangements for another bankruptcy so I can increase short-term profits for myself and fellow shareholders. After doubling my profits in the period of a few months, through a deal with my largest competitor, I lay off the rest of the workers, and sell the rest of my ships and equipment for wholesale prices. The result is that I almost triple my initial investment. And who says I need tulips to make money?” he brags to the crowd of aspiring merchants, eating up every word, all striving to reach a stage in their careers where they too can become capitalist vultures; profiting off the struggling working class.

“Peter! What a pleasure to see you! Have you come to learn from the best like the rest of these students?”

“Yeah sure, whatever can I talk to you for a second, Jan?” establishing through eye contact that it was of dire importance.

“Of course of course, anything for an old friend, excuse me gentlemen” he claimed, pushing through the crowd and finally reaching me.

We walked around the marketplace for a little while, dropping by various stalls, checking up with old acquaintances, and making a little small talk here and there about business, when Jan finally brought up the elephant in the room,

“It’s your mother isn’t it?”

“Unfortunately yes, and her condition is only getting worse. However, if you lend me the financial resources to acquire medical treatment for her, I assure you on my father’s grave that every stuiver will be paid over, with interest” I pleaded, trying to seem dignified and calm on the outside, while in reality I was studying Jan’s countenance very closely for any sign of sympathy. Instead he remained emotionless, almost calculating, as if he were in the middle of one of his high-profile business deals.

After a long prolonged silence, he finally released a statement, “I really want to help, really I do, you know how I feel for your family, but all my assets are tied up in domestic and overseas investments. Running a small business is more capital-consuming than one would expect, there is one alternative but….”

“But what?” I franticly blurted out, becoming more and more impatient with Jan with each passing second.

“You wouldn’t be interested”, he said, dismissing the notion.

“Seriously Jan, for God’s sake, this is my mother’s life we’re talking about! I’d be willing to rob the central bank if I had the manpower and resources!” I screamed, trying to make Jan truly understand the severity of the situation.

Keeping his calm, he finally relented, “Fine, I just purchased an Admirael van der Eijck tulip promissory note for 2000 guilders from a florist in Antwerp. With the way the market is headed, it will be easily worth 4000 or more guilders in a few months. I would be willing to sell it to you as a favor.”

“2000 guilders! Jan you and I are not the same, 2000 guilders is more than I make in a year!”

“I knew you were going to say no. But imagine not only having enough to pay a prolonged medical treatment for your mother by the best professionals in Amsterdam, but also a little left over to cover the bills. Maybe even enough to find a nice wife, those handsome looks aren’t enough you know?”

Over the next few weeks, I scraped together a considerable amount of guilders. I borrowed from friends, I borrowed from acquaintances, hell I borrowed from anyone that would lend me money. I liquidated the little assets I owned, but even after exhausting all of my resources, I was still 200 guilders short of reaching my goal. I started of thinking of ways to raise money, but in the end I realized I only had one option left. And despite how much I wanted to convince myself that there were alternatives, I knew deep down there would be no way around it.

This time when I walked through the doors of Kees’s shop, I did not romanticize at the scent of the tulips, nor did I stop to admire the beauty of the assorted flowers. The smell made me slightly nauseous and for some reason, I could not ignore the small imperfections that each flower garnered; anywhere from a tilted shape to a slightly torn off petal.

“Kees I have something important to talk to you about!”

“I know what you’re going to ask….and the answer is yes.”

I let out a deep breath of relief.

“I’m just a florist with no family, and I’ll never have a wife because I’m married to these” waving his hands, showing off the various assortment of flowers.

“How much do you need Peter?” he whispered solemnly, as if the flowers could hear our conversation.

“200 guilders, but don’t worry this is a safe investment. Give me a few months and I’ll be able to pay back everything along with interest” I reassured him

“You don’t know how many times I’ve heard that Peter, but because this is about your mother, whom I’ve had a close friendship with for over 30 years, I’m willing to take the risk. She’s a really special individual”

He reaches into a hidden vase and grabs out a handful of guilders, and places them into my hand.

“I know” I whispered back, on the verge of breaking out into tears again, “but things will be different. I promise it will all work out, we will both be living in the lap of luxury before long, but I must head off now”

“I sincerely hope for your mother’s sake.”

“Thank you so much Kees”

At first I was a little uncertain that this piece of paper that was supposedly worth 2000 guilders would amount to any compensation, but I needed to believe in something better, not only for my own welfare, but for my mother’s. As the days progressed, I began to feel more and more confident that perhaps I had made the right decision in purchasing the tulip note from Jan. I visited the marketplace every day to keep track of market trends, and what I observed was that everyone from the top tier merchants that had connections to the Dutch East India Company to the old hag that put wild dog meat in her stew would not stop buzzing about Tulips. The prices of almost every tulip and promissory note skyrocketed in the period of a few weeks, and tulips suddenly became the hottest commodity in the Amsterdam, if not in all of the Netherlands.

Everyone from manual laborers to even the wealthiest aristocrats invested in tulips to the point where it was no longer about making money, but rather emotions guiding these purchases. One did not simply buy a tulip because they thought it was a safe and superior investment, but rather because everyone and their grandmother were purchasing them. Merchants like Jan only added gasoline to the fire by egging these individuals on, persuading them with pretty, flowery words to spend much more on these tulips than they could afford. As a result these poor individuals ended up purchasing promissory notes on the credit of their mortgages and their businesses.

It was not just I, but all of the Dutch public that was drunk from this tulip craze, infatuated with the seemingly limitless economic opportunity. The media was just as bad as Jan, it ran story after story about successful Dutch tulip merchants, and continually updated the average person on the smallest details of this tulip craze. For example on one day, a story ran about how an “Admirael van der Eijck”, the very tulip that I owned in the form of a promissory note, was left on the counter of a pub, and while the owner was relieving himself in the lavatory, a hungry peasant walked into the pub and mistook the 2000 guilder tulip as an onion and ate it. He was convicted by a Dutch court and sentenced to years in a prison. It was stories like this that roused the insanity.

Every night after I prepared dinner, my mother and I would share in our excitement about all of these newspaper headlines and stories from the marketplace, knowing that our own promissory note acquired from Jan would make a better life for us.

One night as I was tucking my mother to sleep, she in a refreshingly cheerful manner asked, “Did you hear about William? The one you used to play with. I read in the newspaper that he invested in some of those tulips and made enough to move his whole family to the wealthy, affluent neighborhood of Canal Ring”

“That’ll be us one day, mother. I guarantee it. I’ll make enough money off the Admirael van der Eijck to both finance your treatment and find the nicest flat in the Canal Ring, next to William” a bit of an exaggeration on my part, but at this point in the tulip craze, anything was possible.

The next day at the market, all hell broke loose. I immediately knew something was wrong when I saw crowds of merchants crying, shouting, and cursing their apparent bad luck. Amongst all the confusion I saw promissory notes littered all over the floor, some torn up, some crumpled and stomped on as if they were nothing but pieces of paper with writing on them.

My heart skipped a beat. At first I entered a state of denial, convincing myself that things perhaps were not as they seemed, and telling myself that Jan would have a perfectly good explanation for all of this. I kept telling myself that good businessmen had planned out escape routes for bad business deals. Then it turned out I was his escape route, along with the dozens of other merchants that had been promised the world, only to see it crumbled beneath their feet overnight. I went to the old hag, the town’s biggest gossip and begged, “Where is Jan, please I need to find him, my life’s savings, my mother’s life, my own future is at stake!” She gave me a sympathetic look, and responded, “Get in line, so is everyone else here, word on the street is that he knew that this crash would happen sooner or later from his government friends, so he and a few other prominent merchants played on the aspirations of local merchants to break even on their risky speculative tradings”.

It took a while for the full impact of those words to hit me, but when it did, it attacked like a pack of feral wolves, tearing me to pieces and leaving nothing but remnants of my former self. Now that my note, which encompassed all my previous and future savings into one note had become worthless, my mother would most likely perish without treatment, I would lose my house, my future and even the neglected business that had kept the steady flow of income into my household. Finally I thought of poor Kees, essentially lending me his life savings, and now I would have no way of paying him back. This was just so unreal. I dropped to my knees, and cursed the world. I screamed, but so did everyone else. I pounded my knuckles onto the ground until they bled. I uncontrollably sobbed, until I heard a voice in my head, most likely my Dad’s, surprisingly he told me he was not ashamed of me. In fact he was proud of me, proud of everything I’ve accomplished at this point. He understood that I did the best I could, and told me to hurting myself, man up, and return home to my ailing mother.

Later that night, while I was tucking my mother in bed, my mother asked weakly, but nonetheless, enthusiastically,

“Have you news from the marketplace? Has the value of our tulip doubled? God I feel so giddy, like I’m a little girl, but all of this is so exciting. Peter, I’ve never had a chance to tell you how much I appreciate everything you’ve done for me. You’re the best son a mother could hope for, and I know if father were here he would agree with me.

As genuinely and authentic as I could manage, I mumbled “It’s finally over. I told you things would get better over time. I sold my tulip note for 4000 guilders at the market today. I contacted some medical specialists and we’ll be starting treatment soon. Go to bed, you need to rest, tomorrow’s the beginning of a new life”

She fell asleep as sweet and angelic as an angel, and that night I tucked her in for the last time.

I later found out that the market crash was triggered by a seemingly insignificant event that set off a chain of horrific events. Apparently a rich merchant that won an auction for a high-value tulip at the marketplace decided he no longer wanted it, so he refused to claim it. This triggered a mass panic of merchants panic-selling their tulips at ridiculously low prices. What happened afterwards can only be described as the domino effect; people realized the logical fallacy of spending thousands of guilders on tulips that had no real-world value. So I guess the tulip bubble crashed over one day. But it wasn’t really over one day. Economic bubbles are filled with hot air, powered by speculation, emotions, and unrealistic aspirations all tied together. They rest on a thin, delicate, balance that even with the continual prodding of manipulative merchants like Jan can only be elongated for a short period of time.